

CHAPTER 160

ECONOMIC DEVELOPMENT PROGRAMS AND PROJECTS

H.F. 621

AN ACT relating to programs and projects administered by the economic development authority.

Be It Enacted by the General Assembly of the State of Iowa:

DIVISION I

SPORTS TOURISM PROGRAM — TECHNICAL CHANGES

Section 1. Section 15F.401, subsections 2 and 6, Code 2017, are amended to read as follows:

2. a. A city or county in the state or a public ~~organization~~ entity, including a convention and visitors bureau or a district, may apply to the authority for financial assistance for a project that actively and directly promotes sporting events for accredited colleges and universities and other sporting events in the area served by the city, county, or public ~~organization~~ entity.

b. A city, county, or public ~~organization~~ entity may apply for and receive financial assistance for more than one project.

c. A city, county, or public ~~organization~~ entity may apply for financial assistance for a project that spans multiple fiscal years or may apply for renewal of financial assistance awarded in a prior year if all applicable contractual requirements are met. The decision as to whether to renew an award shall be at the discretion of the board. The board may adopt by rule certain metrics and return on investment estimates for purposes of this paragraph. The authority may include such metrics and estimates in a program agreement executed pursuant to [this section](#).

d. A convention and visitors bureau may apply to the authority for financial assistance pursuant to [this section](#) and a district may apply to the authority for district financial assistance, but a convention and visitors bureau shall not in the same year receive financial assistance under the program created in [this section](#) and financial assistance as part of a district.

6. a. A city, county, or public ~~organization~~ entity may use financial assistance received under the program for marketing, promotions, and infrastructure. Whether an activity or individual cost item is directly related to the promotion of the sporting event shall be within the discretion of the authority.

b. All applications to the authority for financial assistance shall be made at least ninety days prior to an event's scheduled date. A city, county, or public ~~organization~~ entity shall not use financial assistance received under the program as reimbursement for completed projects.

Sec. 2. Section 15F.403, subsection 2, paragraph a, Code 2017, is amended to read as follows:

a. Moneys in the fund are appropriated to the authority for purposes of providing financial assistance to cities, counties, and public ~~organizations~~ entities under the sports tourism program established and administered pursuant to [this subchapter](#).

DIVISION II

TARGETED SMALL BUSINESS CERTIFICATION

Sec. 3. Section 8A.111, subsection 7, Code 2017, is amended to read as follows:

7. An annual report regarding the Iowa targeted small business procurement Act activities of the department as required under [section 15.108, subsection 7](#), paragraph "c", and quarterly reports regarding the total dollar amount of certified purchases for certified targeted small businesses during the previous quarter as required in [section 73.16, subsection 2](#). The department shall keep any vendor identification information received from the ~~department of inspections and appeals~~ economic development authority as provided in [section 10A.104, subsection 8 15.108, subsection 7, paragraph "Od"](#), and necessary for the quarterly reports, confidential to the same extent as the ~~department of inspection and~~

~~appeals economic development authority~~ is required to keep such information. Confidential information received by the department from the ~~department of inspections and appeals economic development authority~~ shall not be disclosed except pursuant to court order or with the approval of the ~~department of inspections and appeals economic development authority~~.

Sec. 4. Section 10A.104, subsection 8, Code 2017, is amended by striking the subsection.

Sec. 5. Section 12.44, Code 2017, is amended to read as follows:

12.44 Iowa satisfaction and performance bond program.

Agencies of state government shall be required to waive the requirement of satisfaction, performance, surety, or bid bonds for targeted small businesses which are able to demonstrate the inability of securing such a bond because of a lack of experience, lack of net worth, or lack of capital. This waiver shall not apply to businesses with a record of repeated failure of substantial performance or material breach of contract in prior circumstances. The waiver shall be applied only to a project or individual transaction amounting to fifty thousand dollars or less, notwithstanding [section 573.2](#). In order to qualify, the targeted small business shall provide written evidence to the ~~department of inspections and appeals economic development authority~~ that the bond would otherwise be denied the business. The granting of the waiver shall in no way relieve the business from its contractual obligations and shall not preclude the state agency from pursuing any remedies under law upon default or breach of contract.

The ~~department of inspections and appeals economic development authority~~ shall certify targeted small businesses for eligibility and participation in this program and shall make this information available to other state agencies.

Subdivisions of state government may also grant such a waiver under similar circumstances.

Sec. 6. Section 15.107B, subsection 2, paragraph b, Code 2017, is amended to read as follows:

~~b. A summary of the report filed by December 1 of each year by the department of inspections and appeals with the authority regarding certifications of targeted small businesses. At a minimum, the summary shall include the number of certified targeted small businesses for the previous year, the increase or decrease in that number during the previous fiscal year compared to the prior fiscal year, and the number of targeted small businesses that have been decertified in the previous fiscal year.~~

Sec. 7. Section 15.108, subsection 7, paragraph c, subparagraph (1), subparagraph division (b), Code 2017, is amended by striking the subparagraph division.

Sec. 8. Section 15.108, subsection 7, Code 2017, is amended by adding the following new paragraph:

NEW PARAGRAPH. *0d.* (1) Establish standards and procedures, by rule, for certifying that targeted small businesses are eligible to participate in the procurement program established in [sections 73.15 through 73.21](#) and are eligible for financial and technical assistance provided for under [this subsection](#). The rules for certifying eligibility adopted pursuant to this paragraph shall not recognize self-certification by a business. The authority may also establish, by rule, the appropriate level of public access to differing classes of electronic records and other records under the procurement program to ensure the confidentiality of any records that are required by law to be confidential.

(2) Maintain a current directory of targeted small businesses certified pursuant to this paragraph. The authority shall also provide information to the department of administrative services necessary for the identification of targeted small businesses under [section 8A.111, subsection 7](#).

Sec. 9. Section 15.108, subsection 7, paragraph g, subparagraph (1), Code 2017, is amended to read as follows:

(1) Developing a uniform small business vendor application form which can be adopted by all agencies and departments of state government to identify small businesses and targeted

small businesses which desire to sell goods and services to the state. This form shall also contain information which can be used to determine certification as a targeted small business pursuant to ~~section 10A.104, subsection 8~~ paragraph "0d".

Sec. 10. Section 73.16, subsection 2, paragraph a, unnumbered paragraph 1, Code 2017, is amended to read as follows:

Prior to the commencement of a fiscal year, the director of each agency or department of state government having purchasing authority, in cooperation with the targeted small business ~~marketing and compliance~~ project manager of the economic development authority, shall establish for that fiscal year a procurement goal from certified targeted small businesses identified pursuant to ~~section 10A.104, subsection 8~~ 15.108, subsection 7, paragraph "0d".

Sec. 11. Section 73.16, subsection 2, paragraph c, subparagraph (3), Code 2017, is amended to read as follows:

(3) A community college, area education agency, or school district shall establish a procurement goal from certified targeted small businesses, identified pursuant to ~~section 10A.104, subsection 8~~ 15.108, subsection 7, paragraph "0d", of at least ten percent of the value of anticipated procurements of goods and services including construction, but not including utility services, each fiscal year.

DIVISION III TECHNICAL CHANGES

Sec. 12. Section 403.19A, subsection 2, paragraph b, Code 2017, is amended to read as follows:

b. (1) ~~The department of economic development authority~~ shall approve four eligible cities as pilot project cities, one pursuant to paragraph "a", subparagraph (1), one pursuant to paragraph "a", subparagraph (2), and two pursuant to paragraph "a", subparagraph (3). If two eligible cities are approved which are located in the same county and the county has a population of less than forty-five thousand, the two approved eligible cities shall be considered one pilot project city. If more than two cities meeting the requirements of paragraph "a", subparagraph (3), apply to be designated as a pilot project city, ~~the department of economic development authority~~ shall determine which two cities hold the most potential to create new jobs or generate the greatest capital within their areas. Applications from eligible cities filed on or after October 1, 2006, shall not be considered.

(2) If a pilot project city does not enter into a withholding agreement within one year of its approval as a pilot project city, the city shall lose its status as a pilot project city. If two pilot project cities are located in the same county, the loss of status by one pilot project city shall not cause the second pilot project city in the county to lose its status as a pilot project city. Upon such occurrence, ~~the department of economic development authority~~ shall take applications from other eligible cities to replace that city. Another city shall be designated within six months.

~~(3) On July 1, 2011, the economic development authority shall assume responsibility for the administration of this subsection.~~

Approved May 11, 2017